

**MINUTES  
VENDOR ADVISORY COMMITTEE  
FEBRUARY 3, 2009**

**Members Present:** P.D. Morrison, Mike Masters, Greg Alexander, Gladys House, Diana Keller, Nancy Evans, Roy Mata, Arlene Dillworth, Ken Sorley, Ron Pigott (non-voting), Paul Gibson (non-voting)

**Staff and Visitors Present:** Ron Pigott, David Duncan, Paul Gibson, Dee Dorsey, Margaret Longest, Valerie Simpson, Susan Heck, Sunny Slade, Milton Turnipseed

The meeting was called to order by Chair Mike Masters at 1:10 p.m. All present introduced themselves.

**Item 3 – Discussion and recommendations on how CPA may procure effective contingency contracts for use during hurricanes**

Ron Pigott, TPASS Director, presented information and opened the topic for discussion by committee members who made the following suggestions and comments:

1. TPASS should consider using of drills or exercises to see how contracting might arise and how it should be dealt with in emergencies.
2. The problem with contingent emergency contracts--won't work over many years because vendors won't hold goods for the state at stable prices without some payment or use under the contract.
3. Members discussed ways to leverage existing contracts for use in emergencies.
4. Regarding generators, TPASS or GDEM could ask Texas Facilities Commission to make building backup generators portable for use in emergencies.
5. Discussion of the possibility of creation of "shared" pools of equipment for use by different agencies or regions.
6. In light of FEMA rules, could the state pay long-term "rental" of large items like generators, with a contractual provision allowing the state to buy for a minimal amount at the end of the rental term?

**Item 4 – Discussion and recommendations on how CPA should proceed with procuring office supplies for the state**

Ron Pigott explained that the office supply RFP was "pulled back" because the number of bidders relative to the historical number of providers was too low. P. D. Morrison responded that the state wanted broad participation and lowered prices and that both were not possible. He recommended that TPASS develop a better understanding (terminology, limitations, etc.) of the workings of the industries from which it is soliciting bids.

**Item 5 – Presentation and discussion of [www.txsmartbuy.com](http://www.txsmartbuy.com)**

Ron Pigott provided video demos of several aspects of the on-line shopping cart program and answered questions from the Committee members.

**Item 6 – Discussion of pending state legislation related to state procurement, state contracting, and the HUB program**

Ron Pigott discussed bills seeking to expand the definition of historically underutilized business (HUB) by adding disabled veterans and handicapped individuals. The Committee members asked questions about qualification standards for the new categories.

**Item 7 – Discussion and recommendations on HUB issues: (a) how good faith effort is determined; (b) HUB subcontracting requirements; (c) description of the HUB certification process; (d) handling "pass-throughs."**

There was a discussion as to whether a HUB acting as a prime contractor should have to complete a HUB Subcontracting Plan (HSP). P. D. Morrison stated that TPASS needed to provide better regulation of HUBS relating to "pass through" contracting (HUBS being paid to pass work on to non-HUBs).

**Item 8 – VAC meeting schedule**

The Committee members agreed by consensus that monthly meetings should continue through the legislative session, but that the topic would be revisited at the March meeting.

**Item 9 – Public Comment**

Susan Heck from Grainger commented on distribution and HUB participation.

Arlene Dilworth presented the Committee with a draft of a document describing the VAC that she proposed sending out to the vendor community to cultivate interest and enlist members for the VAC.

**Item 10 – Future Agenda Items and Next Meeting (standing items indicated by asterisk)**

- \*Approval of minutes of January and February meetings
- \*Subcommittee reports and any requested actions by committees
- HUBs – further discussion of the "correct" structure or definitions for identifying and avoiding "passthroughs" and use of "strategic alliances"
- Recommendation and action on recruitment of new board members
- \*Summary of legislation and legislative activity

The next meeting is scheduled for March 3 at 1:00 p.m.

Greg moved the meeting be adjourned; P.D. seconded. Adjourned at 5:03 p.m.